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Mark David Goss
Chairman

Teresa J. Hill
Vice Chairman

Gregory Coker
Commissioner

December 19, 2005

RE: Case No. 2005-00487

We enclose one attested copy of the Commission's Order in the above case.

Sincerely,

A handwritten signature in black ink, appearing to read "Beth O'Donnell".

Beth O'Donnell
Executive Director

BOD/jc
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ADJUSTMENT OF RATES)
OF AUXIER ROAD GAS) CASE NO. 2005-00487
COMPANY, INC.)

ORDER

On April 10, 1991, in Case Nos. 10288-D and 10288-E, the Commission approved the Gas Cost Adjustment ("GCA") Clause of Auxier Road Gas Company, Inc. ("Auxier") allowing for the quarterly adjustment of its rates.¹

On December 1, 2005, Auxier filed its proposed GCA to be effective January 1, 2006. On December 12, 2005, Auxier supplemented its information and revised the estimate of its gas cost from one of its suppliers.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Auxier's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Auxier's notice sets out an Expected Gas Cost ("EGC") of \$15.7833 per Mcf, which is an increase of \$3.6242 per Mcf from its prior EGC of \$12.1591.
3. Auxier's notice sets out no current refund adjustment.

¹ Case Nos. 10288-D and 10288-E, Notice of Purchased Gas Adjustment Filing of Auxier Road Gas Company, Inc.

4. Auxier's notice sets out a current quarter actual adjustment ("AA") of (47.26) cents per Mcf. Auxier's notice sets out a total AA of (\$1.3621) per Mcf, which is a decrease of 40.84 cents per Mcf from its previous total AA.

5. Auxier's notice sets out a current quarter balance adjustment ("BA") of 1.18 cent per Mcf. Auxier's notice sets out a total BA of 2.57 cents per Mcf, which is a decrease of 4.92 cents per Mcf from its previous total BA.

6. Auxier's gas cost recovery rate is \$14.4469 per Mcf, which is an increase of \$3.1666 per Mcf from its previous rate of \$11.2803.

7. The rates in the Appendix to this Order are fair, just and reasonable, and should be approved for billing for service rendered by Auxier on and after January 1, 2006.

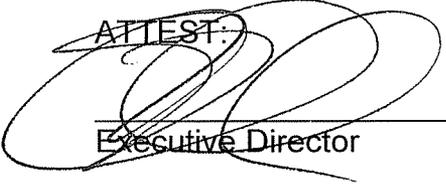
IT IS THEREFORE ORDERED that:

1. The rates in the Appendix, attached hereto and incorporated herein, are approved for billing for service rendered on and after January 1, 2006.

2. Within 20 days of the date of this Order, Auxier shall file with this Commission its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 19th day of December, 2005.

By the Commission

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2005-00487 DATED December 19, 2005.

The following rates and charges are prescribed for the customers served by Auxier Road Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RATES:

	<u>Base Rate</u>	Gas Cost Recovery <u>Rate</u>	<u>Total</u>
First Mcf (Minimum Bill)	\$ 5.11	\$14.4469	\$19.5569
All Over 1 Mcf	\$ 4.2599	\$14.4469	\$18.7068